



DEPARTMENT OF COMMERCE

**International Trade Administration**

**[A-570-016]**

**Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China:**

**Notice of Remand Proceeding and Reopening of 2017-2018 Antidumping Duty**

**Administrative Review Record**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) is conducting a remand of the 2017-2018 administrative review of the antidumping duty (AD) order on certain passenger vehicle and light truck tires from the People's Republic of China (China), which includes a limited reopening of the record. Commerce received a notification from U.S. Customs and Border Protection (CBP) that it found discrepancies and inaccuracies between the sales information certain parties reported during the 2017-2018 administrative review and that reported to CBP at the time of entry. Accordingly, Commerce intends to reopen the record of the 2017-2018 AD administrative review and reconsider the final results of the 2017-2018 review. Commerce is providing notice of the remand and the reopening of the record, and further, inviting participation from interested parties.

**DATES:** Applicable **[INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**.

**FOR FURTHER INFORMATION CONTACT:** Charles DeFilippo, AD/CVD Operations, Office VII, Enforcement & Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3979.

## SUPPLEMENTARY INFORMATION:

### Background

On April 22, 2020, Commerce published in the *Federal Register* the final results of the administrative review of the AD order on passenger tires from China covering the period August 1, 2017, through July 31, 2018.<sup>1</sup>

Pirelli Tyre Co., Ltd., Pirelli Tyre S.p.A, and Pirelli Tire LLC (collectively, Pirelli) challenged the *2017-2018 Final Results* and sought review by the U.S. Court of International Trade (CIT). Pirelli moved for the proceedings to be stayed until a final decision was rendered in the appeal of *China Manufacturers Alliance, LLC v. United States*.<sup>2</sup> The CIT granted the motion and stayed the proceedings.

On May 20, 2021, CBP notified Commerce that it had identified inaccuracies in the sales prices on imports of passenger tires from China reported to Commerce during the 2017-2018 administrative review.<sup>3</sup> Specifically, CBP compared the questionnaire responses submitted by mandatory respondent Shandong New Continent (SNC) to Commerce with CBP importation records and found significant undervaluation.<sup>4</sup> According to the CBP referral memorandum, the values submitted to CBP were approximately \$2.6 million lower than the values submitted to Commerce.<sup>5</sup> The CBP referral memorandum raises serious concerns and questions regarding the U.S. sales information reported by SNC during the 2017-2018 administrative review. Commerce used SNC's U.S. sales information to calculate its company specific weighted-average dumping margin, and SNC's margin served as the basis for the rate assigned to the non-individually examined respondents eligible for a separate rate.<sup>6</sup>

---

<sup>1</sup> See *Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2017-2018*, 85 FR 22396 (April 22, 2020) (*2017-2018 Final Results*), and accompanying Issues and Decision Memorandum.

<sup>2</sup> See 357 F. Supp. 3d 1364 (2019).

<sup>3</sup> See Memorandum, "Referral Memorandum from U.S. Customs and Border Protection on the Misreporting of Sales Information for Entries Covered in the 2017-2018 Antidumping Duty Administrative Review," dated concurrently with this notice (CBP Referral Memorandum).

<sup>4</sup> *Id.* at 1.

<sup>5</sup> *Id.*

<sup>6</sup> See *2017-2018 Final Results*.

As a result, the United States requested that the CIT remand the administrative review for Commerce to evaluate the information provided by CBP and further examine the issue. On September 20, 2021, the CIT lifted the stay on the action and granted the United States' motion for remand.<sup>7</sup>

#### Notification to Interested Parties

Commerce is hereby notifying interested parties of the remand of the 2017-2018 administrative review and the reopening of the record. We intend to place CBP's referral letter and accompanying information on the record of this remand proceeding in Enforcement and Compliance's Antidumping Duty and Countervailing Duty Centralized Electronic Service System (ACCESS) within five days of publication of this notice. We will address the discrepancies and inaccuracies of SNC's sales information in the remand proceeding concerning this administrative review.

Commerce intends to provide interested parties with the opportunity to participate in this remand proceeding, including through the submission of comments, and, if appropriate, new factual information and verification. Specifically, Commerce will notify parties on the segment-specific service list for this remand segment of a schedule for comments. In addition, Commerce may request factual information from any person to assist in making its determination and may verify submissions of factual information, if Commerce determines that such verification is appropriate. Based on our analysis on remand we may revise the *2017-2018 Final Results*, including by adjusting SNC's dumping margin as appropriate.

Parties are also hereby notified that this is the only notice that Commerce intends to publish in the *Federal Register* concerning this remand proceeding and reopening of the record. Interested parties that wish to participate in the remand proceeding, and receive notice of the final redetermination, must submit their letters of appearance as discussed below. Further, any

---

<sup>7</sup> See *Pirelli Tyre Co., Ltd., et al. v. United States*, CIT Ct. No. 20-00115, Slip Op 21-122 (September 20, 2021); see also *China Manufacturers Alliance, LLC v. United States*, 1 F. 4<sup>th</sup> 1028 (Fed. Cir. 2021).

party desiring access to business proprietary information in these proceedings must file an application for access to business proprietary information under administrative protective order (APO), as discussed below.

### Scope of the Order

The scope of this order is passenger vehicle and light truck tires. Passenger vehicle and light truck tires are new pneumatic tires, of rubber, with a passenger vehicle or light truck size designation. Tires covered by this order may be tube-type, tubeless, radial, or non-radial, and they may be intended for sale to original equipment manufacturers or the replacement market.

Subject tires have, at the time of importation, the symbol “DOT” on the sidewall, certifying that the tire conforms to applicable motor vehicle safety standards. Subject tires may also have the following prefixes or suffix in their tire size designation, which also appears on the sidewall of the tire:

Prefix designations:

P - Identifies a tire intended primarily for service on passenger cars

LT- Identifies a tire intended primarily for service on light trucks

Suffix letter designations:

LT - Identifies light truck tires for service on trucks, buses, trailers, and multipurpose passenger vehicles used in nominal highway service. All tires with a “P” or “LT” prefix, and all tires with an “LT” suffix in their sidewall markings are covered by this investigation regardless of their intended use.

In addition, all tires that lack a “P” or “LT” prefix or suffix in their sidewall markings, as well as all tires that include any other prefix or suffix in their sidewall markings, are included in the scope, regardless of their intended use, as long as the tire is of a size that is among the numerical size designations listed in the passenger car section or light truck section of the Tire and Rim Association Year Book, as updated annually, unless the tire falls within one of the specific exclusions set out below.

Passenger vehicle and light truck tires, whether or not attached to wheels or rims, are included in the scope. However, if a subject tire is imported attached to a wheel or rim, only the tire is covered by the scope.

Specifically excluded from the scope are the following types of tires:

- (1) racing car tires; such tires do not bear the symbol “DOT” on the sidewall and may be marked with “ZR” in size designation;
- (2) new pneumatic tires, of rubber, of a size that is not listed in the passenger car section or light truck section of the Tire and Rim Association Year Book;
- (3) pneumatic tires, of rubber, that are not new, including recycled and retreaded tires;
- (4) non-pneumatic tires, such as solid rubber tires;
- (5) tires designed and marketed exclusively as temporary use spare tires for passenger vehicles which, in addition, exhibit each of the following physical characteristics:
  - (a) the size designation and load index combination molded on the tire’s sidewall are listed in Table PCT-1B (“T” Type Spare Tires for Temporary Use on Passenger Vehicles) of the Tire and Rim Association Year Book,
  - (b) the designation “T” is molded into the tire’s sidewall as part of the size designation, and,
  - (c) the tire’s speed rating is molded on the sidewall, indicating the rated speed in MPH or a letter rating as listed by Tire and Rim Association Year Book, and the rated speed is 81 MPH or a “M” rating;
- (6) tires designed and marketed exclusively for specialty tire (ST) use which, in addition, exhibit each of the following conditions:
  - (a) the size designation molded on the tire’s sidewall is listed in the ST sections of the Tire and Rim Association Year Book,
  - (b) the designation “ST” is molded into the tire’s sidewall as part of the size designation,
  - (c) the tire incorporates a warning, prominently molded on the sidewall, that the tire is “For Trailer Service Only” or “For Trailer Use Only”,

- (d) the load index molded on the tire's sidewall meets or exceeds those load indexes listed in the Tire and Rim Association Year Book for the relevant ST tire size, and
- (e) either
- (i) the tire's speed rating is molded on the sidewall, indicating the rated speed in MPH or a letter rating as listed by Tire and Rim Association Year Book, and the rated speed does not exceed 81 MPH or an "M" rating; or
- (ii) the tire's speed rating molded on the sidewall is 87 MPH or an "N" rating, and in either case the tire's maximum pressure and maximum load limit are molded on the sidewall and either
- (1) both exceed the maximum pressure and maximum load limit for any tire of the same size designation in either the passenger car or light truck section of the Tire and Rim Association Year Book; or
- (2) if the maximum cold inflation pressure molded on the tire is less than any cold inflation pressure listed for that size designation in either the passenger car or light truck section of the Tire and Rim Association Year Book, the maximum load limit molded on the tire is higher than the maximum load limit listed at that cold inflation pressure for that size designation in either the passenger car or light truck section of the Tire and Rim Association Year Book;
- (7) tires designed and marketed exclusively for off-road use and which, in addition, exhibit each of the following physical characteristics:
- (a) the size designation and load index combination molded on the tire's sidewall are listed in the off-the-road, agricultural, industrial or ATV section of the Tire and Rim Association Year Book,
- (b) in addition to any size designation markings, the tire incorporates a warning, prominently molded on the sidewall, that the tire is "Not For Highway Service" or "Not for Highway Use",
- (c) the tire's speed rating is molded on the sidewall, indicating the rated speed in MPH or a letter rating as listed by the Tire and Rim Association Year Book, and the rated speed does not exceed 55 MPH or a "G" rating, and
- (d) the tire features a recognizable off-road tread design.

The products covered by the order are currently classified under the following Harmonized Tariff Schedule of the United States (HTSUS) subheadings: 4011.10.10.10, 4011.10.10.20, 4011.10.10.30, 4011.10.10.40, 4011.10.10.50, 4011.10.10.60, 4011.10.10.70, 4011.10.50.00, 4011.20.10.05, and 4011.20.50.10. Tires meeting the scope description may also enter under the following HTSUS subheadings: 4011.90.2050, 4011.99.45.10, 4011.99.45.50, 4011.99.85.10, 4011.99.85.50, 8708.70.45.30, 8708.70.45.45, 8708.70.45.46, 8708.70.45.48, 8708.70.45.60, 8708.70.60.30, 8708.70.60.45, and 8708.70.60.60. While HTSUS subheadings are provided for convenience and for customs purposes, the written description of the subject merchandise is dispositive.

#### Filing Requirements

All submissions to Commerce must be filed electronically using ACCESS.<sup>8</sup> An electronically filed document must be received successfully in its entirety by the time and date it is due. Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information.<sup>9</sup>

#### Letters of Appearance and Administrative Protective Order

Interested parties that wish to participate in this remand proceeding and be added to the public service list must file a letter of appearance in accordance with 19 CFR 351.103(d)(1).

Interested parties must submit applications for disclosure under the APO in accordance with the procedures outlined in Commerce's regulations at 19 CFR 351.305. Those procedures apply to this remand proceeding.

Dated: October 22, 2021.

---

<sup>8</sup> See *Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures*, 76 FR 39263 (July 6, 2011), as amended in *Enforcement and Compliance; Change of Electronic Filing System Name*, 79 FR 69046 (November 20, 2014) for details of Commerce's electronic filing requirements, effective August 5, 2011. Information on help using ACCESS can be found at <https://access.trade.gov/help.aspx> and a handbook can be found at <https://access.trade.gov/help/Handbook%20on%20Electronic%20Filing%20Procedures.pdf>.

<sup>9</sup> See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19*, 85 FR 17006 (March 26, 2020); see also *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

**James Maeder,**

*Deputy Assistant Secretary*

*for Antidumping and Countervailing Duty Operations.*

[FR Doc. 2021-23429 Filed: 10/26/2021 8:45 am; Publication Date: 10/27/2021]